

#15 - Aggregate Operating Budget - Requires 7 Affirmative Votes

Resolution No.:	<u>16-582</u>
Introduced:	<u>May 22, 2008</u>
Adopted:	<u>May 22, 2008</u>

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

Subject: Approval of the FY 2009 Aggregate Operating Budget

Background

1. Section 305 of the County Charter requires the affirmative vote of 7 Councilmembers to approve the aggregate operating budget if that budget exceeds the adopted spending affordability guidelines then in effect. Section 305 excludes from the aggregate operating budget:
 - Specific grants;
 - Enterprise Funds;
 - Tuition and tuition-related charges at Montgomery College;
 - Washington Suburban Sanitary Commission.
2. Section 20-60 of the County Code requires the Council to set spending affordability guidelines by resolution no later than the third Tuesday in December. The guidelines must specify a ceiling on property taxes for FY 2009, and a ceiling on the aggregate operating budget for FY 2009. Section 20-60 also permits the Council to revise the guidelines: not later than the second Tuesday after the General Assembly adjourns its regular session each year, the Council may amend the resolution establishing the guidelines to reflect a significant change in conditions. An amendment may increase or decrease any guideline. However, any increase of a guideline must not exceed the projected net increase in available resources since the guideline was adopted, applying the tax rates that were assumed in adopting that guideline and considering the rates of any tax approved or repealed since that guideline was adopted.
3. Section 305 of the Charter requires that at least 6 Councilmembers must approve the aggregate operating budget if that budget exceeds the budget for the preceding year by more than the rate of inflation, as measured by the annual average increase in the Consumer Price Index for all urban consumers in the Washington-Baltimore Metropolitan area for the 12-month period preceding December 1, which was 3.6 percent for the 12-month period preceding December 1, 2007.

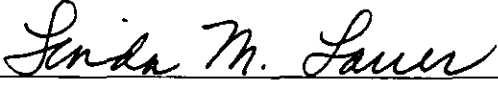
4. On May 24, 2007, in Resolution 16-169, the Council approved the FY 2008 aggregate operating budget in the amount of \$3,661.0 million. If that aggregate operating budget increased at the 3.6% rate of inflation for the 12-month period preceding December 1, 2007, it would be \$3,792.8 million.
5. In Resolution No. 16-419, adopted December 11, 2007, the Council adopted the following spending affordability guideline for the FY 2009 aggregate operating budget:
 - the ceiling on the aggregate operating budget \$3,622.1 million
6. The Council did not revise the guidelines in April 2008.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The Council approves the FY 2009 aggregate operating budget in the amount of \$3,772.0 million, as calculated on the attached page. Because the FY 2009 aggregate operating budget exceeds the final revised spending affordability guideline ceiling of \$3,622.1 million, 7 affirmative votes are required to adopt this resolution. Because the FY 2009 aggregate operating budget does not exceed the FY 2008 aggregate operating budget, as increased for inflation, of \$3,792.8 million, 6 affirmative votes are not required to adopt this resolution.

This is a correct copy of Council action.


Linda M. Lauer, Clerk of the Council

The FY 2009 aggregate operating budget excludes enterprise funds, specific grants, and tuition and tuition-related charges at the College, and it is calculated as follows.

Fund or District	Appropriation
General Fund	\$ 933,856,130
Fire District	191,054,930
Economic Development Fund	852,440
Mass Transit	113,259,360
Recreation District	32,457,220
Urban Districts	7,952,850
MCPS	1,936,956,571
Montgomery College	212,357,803
MNCPPC:	
Administration Fund	27,314,500
Park Fund	79,109,700
Debt service on County bonds	247,979,100
Debt service on Park bonds	4,682,800
Current revenue for the Capital Budget	46,285,000
Current Revenue for PAYGO	5,406,000
Total Appropriations	3,839,524,404
Less College Tuition and Tuition-Related Charges	(67,524,390)
AGGREGATE OPERATING BUDGET	3,772,000,014
SUMMARY:	
MCPS	1,936,956,571
College, Total	212,357,803
Less College Tuition & Tuition-Related Charges	(67,524,390)
College, Net	144,833,413
County Government	1,279,432,930
MNCPPC	106,424,200
Debt service on County bonds and Park bonds	252,661,900
Total Current Revenue for Capital Budget	51,691,000
Total Appropriations	3,839,524,404
Less College Tuition and Tuition-Related Charges	(67,524,390)
AGGREGATE OPERATING BUDGET	3,772,000,014
Aggregate operating budget, prior year	3,661,045,573
\$ increase	110,954,441
% increase	3.0%